III. Remarks

Responsive to the outstanding Examiner's Action, the applicants have carefully studied the Examiner's comments. Favorable reconsideration of this application is respectfully requested in light of the claim amendments above and the following detailed discussion.

Claims 1-4 are pending in the application. Claims 1-4 are rejected. Claim 4 is requested to be canceled. Claims 1 and 2 have been amended. A listing of the pending claims, along with a status indicator of each claim, appears above.

Two new drawing sheets are included herewith having Figs. 1-2 thereon. Fig. 1 is designated as prior art as requested by the Examiner. Fig. 2 now has typewritten reference numbers. The new drawing sheets contain no new matter. It is respectfully requested that the enclosed two drawing sheets replace the originally filed two drawing sheets currently on file and that the originally filed drawing sheets be cancelled.

The Examiner has rejected claim 1-4 under 35 USC 112, second paragraph. Claim 1 was rejected for lacking antecedent basis for "said differential carrier" in lines 8-9.

Claim 1 has been amended to correct this issue.

The Examiner also indicated the language "to adjust both the preload and/or endplay of said input bearing" is unclear in claim 1. Claim 1 has been amended to address this ambiguity.

Claim 3 was also rejected under 35 USC 112 as the Examiner indicated it was unclear whether the claimed input bearing adjuster includes an endcap for the differential carrier. The Examiner also indicated "the differential carrier" lacked sufficient

antecedent basis. Claim 3 has been amended to correct the ambiguity and lack of antecedent basis issues.

The rejection of claim 4 is rendered moot in light of the cancellation of claim 4.

The Examiner rejected claims 1-4 under 35 USC 102(b) as being anticipated by U.S. Patent No. 4,273,391 to Asberg. As discussed in Applicants' April 22, 2005 phone interview with the Examiner and Mr. Bonck, Applicants respectfully disagree with the Examiner that the reference teaches a differential carrier assembly, as required by amended claim 1. Instead, the reference only teaches a mechanism for rotatably mounting a pinion gear. The pinion gear is taught to be connected to a crown gear. The reference is silent regarding a differential carrier assembly.

35 USC 102(b) requires that for a claim to be anticipated, each and every element of the claim must be found either expressly or inherently described in a single prior art reference. MPEP § 2131.01 (citing Verdegaal Bros. v. Union Oil Co. of California, 814 F.2d 628, 631, USPQ2d 1051, 1053 (Fed Cir. 1987)). A differential carrier is not expressly described in Asberg. A differential carrier is also not inherently described in Asberg. Asberg only indicates that the pinion gear is immediately and directly connected to a crown gear. The immediate and direct connection of the pinion gear to the crown gear eliminates the need for the differential carrier as required by amended claim 1. The elimination of the differential carrier makes it impossible for a differential carrier to be inherently taught by Asberg.

Asberg also does not anticipate amended claim 1 as it does not teach either expressly or inherently a differential. Again, the direct connection of the pinion gear to a crown gear taught by Asberg eliminates the need for a differential. If the differential is

eliminated, the Examiner's use of Asberg to inherently teach the differential cannot be supported.

In light of the above, it is respectfully submitted that the presently claimed invention of the above-captioned application is not described in the reference as required by 35 USC 102(b). Amended independent claim 1 of the present invention is patentable over Asberg. Furthermore, claims 2-3 each depend on claim 1, either directly or indirectly, and contain all of the limitations thereof. Therefore, because claim 1 is patentable and claims 2-3 depend on claim 1, claims 2-3 are patentable over the Asberg reference.

The Examiner also rejected claims 1-4 over Sullivan. Applicants' respectful disagreement expressed in the Examiner Interview regarding the applicability of Sullivan is repeated as follows.

Sullivan does not teach or suggest a differential carrier having a set of threads on an internal surface, as required by amended claim 1. Instead, Sullivan teaches a first cage member threaded to a second cage member. The cage members are bolted to the carrier housing.

Based on the above in the interview, the Examiner suggested eliminating the word "assembly" from "differential carrier assembly" of claim 1. Applicants appreciate the Examiner's suggestion and claim 1 and the claims which depend from claim 1 have been so amended.

Applicants also respectfully submit that Sullivan does not teach a locking mechanism that selectively secures the input bearing adjuster to the differential carrier, as required by amended claim 1. Instead, Sullivan indicates cap screws 114 are temporarily

installed to hold the second bearing cage to the carrier housing. Fasteners are used to permanently attach the first bearing cage to the second bearing cage and to the carrier housing. The fasteners and cap screws must be inserted into pre-formed, pre-located apertures in the first bearing cage, the second bearing cage and the carrier housing. Since the apertures are pre-formed and pre-located, the fasteners can only be inserted when all of the apertures in the bearing cages and the carrier housing are lined up with one another. In light of this arrangement, Sullivan does not teach selectively securing the input bearing adjuster to the differential carrier. Instead, Sullivan only teaches attaching bearing cages to pre-determined, fixed locations on the carrier.

In light of the above, it is respectfully submitted that the presently claimed invention of the above-captioned application is not described in the reference as required by 35 USC 102(e). Amended independent claim 1 of the present invention is therefore patentable over Sullivan. Furthermore, claims 2-3 each depend on claim 1, either directly or indirectly, and contain all of the limitations thereof. Therefore, because claim 1 is patentable and claims 2-3 depend on claim 1, claims 2-3 are patentable over the Sullivan reference.

In light of the remarks and amendments discussed above, it is believed the claims are now in condition for allowance and an early Notice of Allowance is respectfully requested.

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Should the Examiner wish to modify any of the language of the claims,

Applicants' attorney suggests a telephone interview in order to expedite the prosecution of the application.

Respectfully submitted,

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